

RHODE ISLAND: EXPORTS, JOBS, AND FOREIGN INVESTMENT

Exports Mean Jobs for Rhode Island's Workers

- More than one-sixth (17.6 percent) of all manufacturing workers in Rhode Island depend on exports for their jobs. This is somewhat below the national figure of manufacturing workers supported by exports—20.5 percent. (2001 data latest available)
- Export-supported jobs account for an estimated 4.7 percent of Rhode Island's total private-sector employment, about one in every 21 jobs. (2001 data latest available)

Note: Export-related jobs estimates include only jobs supported by exports of manufactured goods; jobs generated by exports of services are excluded. Consequently, the numbers understate the total employment impact of exports on the U.S. economy.

Source: State Export-Related Employment Project, International Trade Administration & Census Bureau.

Exports Help Sustain Over One Thousand Rhode Island Firms—Small As Well As Large

- A total of 1,739 companies exported goods from Rhode Island locations in 2001. Of those, 1,480 (85 percent) were small and medium-sized enterprises with fewer than 500 employees.
- Small and medium-sized firms generated one-third (33.4 percent) of Rhode Island's total exports of merchandise in 2001, which is above the national average of 29.2 percent.

Source: Exporter Data Base, International Trade Administration & Census Bureau

Economic Globalization: A Two-Way Street for Rhode Island

- In 2002, majority-owned affiliates of foreign companies employed 21,800 workers in Rhode Island.
- Nearly one-fifth of these foreign-investment-supported jobs (19.3 percent, or 4,200 workers) were in the manufacturing sector in 2002.
- Majority-owned affiliates of foreign firms accounted for 7.7 percent of total manufacturing employment in Rhode Island in 2001.
- Foreign investment in Rhode Island was responsible for 5.5 percent of the state's total private-industry employment in 2001, higher than the U.S. average of 5 percent.
- Major sources of Rhode Island's foreign-investment-supported jobs in 2002 were the United Kingdom, the Netherlands, Canada, France, and Switzerland.

Note: All figures exclude employment in banks affiliated with foreign companies.

Source: Bureau of Economic Analysis.

Rhode Island Depends on World Markets

- Rhode Island's export shipments of merchandise in 2003 totaled \$1.2 billion, up 5.5 percent from the 1999 figure of \$1.1 billion.

- Rhode Island exported globally to 139 foreign destinations in 2003. The state's largest market that year was NAFTA member Canada, which received goods exports of \$408 million—over one-third (35 percent) of Rhode Island's total exports that year. Canada was followed by Singapore (\$99 million) and NAFTA's Mexico (\$67 million). Other top markets included the United Kingdom, Hong Kong, Belgium, Germany, China, Japan, and France.
- Singapore is Rhode Island's biggest growth market, in dollar terms. Export shipments to Singapore rose from \$23 million in 1999 to \$99 million in 2003, an increase of \$76 million. Other countries which recorded large increases in merchandise exports from Rhode Island over this period were Canada (up \$47 million), China (up \$25 million), and Belgium (up \$21 million).
- Of Rhode Island's 20 major markets, exports to the Dominican Republic grew the fastest over the 1999-2003 period, increasing over 1,200 percent from just over \$882,000 to \$11.7 million. Rhode Island also more than tripled its exports to Singapore (up 340 percent), and China (up 231 percent).
- Rhode Island's leading manufactured export category is computer and electronic products, which alone accounted for \$259 million, or 22 percent, of Rhode Island's total export shipments in 2003. Other top manufactured exports that year were miscellaneous manufactures (\$154 million in exports), chemical manufactures (\$123 million), and machinery manufactures (\$122 million).
- In dollar terms, Rhode Island's leading manufactured export growth category is chemical manufactures. Export shipments of these products during the 1999-2003 period grew from \$86 million to \$123 million. Other manufactured export categories that registered large dollar growth over that time span were plastic and rubber products (up \$36 million), and miscellaneous manufactures (up \$22 million).
- In percentage terms, Rhode Island's fastest-growing manufactured export category is petroleum and coal products, which grew 198 percent from some \$396,000 in 1999 to \$1.2 million in 2003. Other fast-growing manufactured exports during this period were plastic and rubber products (up 66 percent), furniture and related products (up 61 percent), and beverages and tobacco products (up 53 percent).

Source: Origin of Movement State Export Series, Bureau of the Census.

Caution: The Origin of Movement series allocates exports to states based on transportation origin, i.e., the state from which goods began their journey to the port (or other point) of exit from the United States. The transportation origin of exports is not always the same as the location where the goods were produced. Consequently, conclusions about "export production" in a state should not be made solely on the basis of the Origin of Movement state export figures.

Prepared by the Office of Trade and Industry Information, International Trade Administration, U.S. Department of Commerce.